



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
AUDITOR GENERAL

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

July 29, 2008

Governing Board  
Cochise Elementary School District No. 26  
P.O. Box 1088  
Cochise, AZ 85606-1088

Members of the Board:

In our March 13, 2007, status review report we notified you that the District had not complied with the *Uniform System of Financial Records* (USFR).

We have since reviewed the District's audit reports for the years ended June 30, 2006 and 2007, and USFR Compliance Questionnaire for the year ended June 30, 2007, to determine whether the District was in compliance with the USFR as of that date. Based solely on our review of these documents, the District has complied with the USFR.

However, we noted that the District still had numerous internal control deficiencies cited by its auditors in the Schedule of Findings and Responses, management letter, and the USFR Compliance Questionnaire. These deficiencies indicate that the District's internal controls are still especially weak in the area of Procurement and Expenditures.

Although the cited deficiencies do not cause substantial noncompliance, the District must take corrective action to continue to satisfactorily comply with the USFR.

If you have questions concerning the deficiencies or how to correct them, or would like a written summary of deficiencies with recommendations for correction, please call Magdalene Haggerty, Accounting Services Director, or Gregg Rickert, Accounting Services Manager, at (602) 553-0333.

Sincerely,

Debra K. Davenport  
Auditor General

DKD/MH/gr  
cc: Stephen Webb, Superintendent  
Cochise Elementary School District No. 26